

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-02015A
Beaver Valley Water Company
PO Box 421
Payson, AZ 85547

RECEIVED

APR 20 2007

AZ CORP COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

4-23-07

SCANNED

5-10-07

Statutory Agent:

OWNER

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney:

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☒ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☒ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization		-	
302	Franchises		-	
303	Land and Land Rights	8,913-	-	8,913-
304	Structures and Improvements	85,000	2,125	82,875-
307	Wells and Springs	13,000-	1,300-	11,700-
311	Pumping Equipment	8,000-	800-	7,200-
320	Water Treatment Equipment	5,000-	500	4,500-
330	Distribution Reservoirs and Standpipes	2,000-	200	1,800-
331	Transmission and Distribution Mains	7,500-	750-	6,750
333	Services			
334	Meters and Meter Installations	23,000	2,300-	20,700-
335	Hydrants			
336	Backflow Prevention Devices	4,200	420-	3,780-
339	Other Plant and Misc. Equipment	2,600-	260	2,340-
340	Office Furniture and Equipment	1,800-	180	1,620-
341	Transportation Equipment	9,700-	970	8,730-
343	Tools, Shop and Garage Equipment	3,600-	360-	3,240-
344	Laboratory Equipment	5,200	520	4,680-
345	Power Operated Equipment	6,300	630	5,670-
346	Communication Equipment	2,300-	230	2,070-
347	Miscellaneous Equipment	1,600	160	1,440-
348	Other Tangible Plant	3,830	383-	3,447-
	TOTALS	193,543	12,088-	181,455-

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization		- 0 -	- 0 -
302	Franchises		- 0 -	- 0 -
303	Land and Land Rights	8,913	- 0 -	- 0 -
304	Structures and Improvements	85,000 -	2.5%	2,125 -
307	Wells and Springs	13,000 -	10.0%	1,300 -
311	Pumping Equipment	8,000 -	10.0%	800 -
320	Water Treatment Equipment	5,000 -	"	500 -
330	Distribution Reservoirs and Standpipes	2,000 -	"	200 -
331	Transmission and Distribution Mains	7,500 -	"	750 -
333	Services			
334	Meters and Meter Installations	23,000 -	"	2,300 -
335	Hydrants			
336	Backflow Prevention Devices	4,200 -	"	420 -
339	Other Plant and Misc. Equipment	2,600 -	"	260 -
340	Office Furniture and Equipment	1,800 -	"	180 -
341	Transportation Equipment	9,700 -	"	970 -
343	Tools, Shop and Garage Equipment	3,600 -	"	360 -
344	Laboratory Equipment	5,200 -	"	520 -
345	Power Operated Equipment	6,300 -	"	630 -
346	Communication Equipment	2,300 -	"	230 -
347	Miscellaneous Equipment	1,600 -	"	160 -
348	Other Tangible Plant	3,830 -	"	383 -
	TOTALS	193,543 -	-	12,088 -

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$	\$ 2,620 -
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		740 -
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$	\$ 3,360 -
	FIXED ASSETS		
101	Utility Plant in Service	\$ 193,543 -	\$ 181,455 -
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation -- Utility Plant	12,088 -	-
121	Non-Utility Property		
122	Accumulated Depreciation -- Non Utility		
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$	\$ 184,815 -

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits CREDITS & REFUNDS DUE	35,200	16,000 -
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$ 16,000 -
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$ 16,000 -
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		168,815 -
	TOTAL CAPITAL	\$	\$ 168,815 -
	TOTAL LIABILITIES AND CAPITAL	\$	\$ 184,815 -

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$	\$ 65,973 -
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$	\$ 65,973 -
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$ 4,059 -
610	Purchased Water		
615	Purchased Power		5,979 -
618	Chemicals		
620	Repairs and Maintenance		5,591 -
621	Office Supplies and Expense		3,877 -
630	Outside Services		4,502 -
635	Water Testing		3,831 -
641	Rents		10,000 -
650	Transportation Expenses		3,402 -
657	Insurance - General Liability		926 -
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense		4,684 -
403	Depreciation Expense		12,689 -
408	Taxes Other Than Income		7,792 -
408.11	Property Taxes		
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$	\$ 66,731 -
	OPERATING INCOME/(LOSS)	\$	\$ <758>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$	\$ <758>

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME	
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
603-1548	1 1/2	27	160	6		UNKN.

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
EAST VERDE RIVER	100	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2 1/2	2		
7 1/2	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	4	1	5000 gpm.

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	10,560
5		
6	PVC	2640
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	182
3/4	
1	2
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

CL ₂ LIQUID INJECTOR	
CL ₂ PELLET DROP	
2-500 GAL PRESSURE FILTERS	

STRUCTURES:

PUMP HOUSE	

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	
Name of System	ADEQ Public Water System Number (if applicable)

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	187	433130	436240	
FEBRUARY	186	350520	361600	
MARCH	186	419252	430192	
APRIL	183	482318	500468	
MAY	184	1600430	610230	
JUNE	186	846370	859590	
JULY	187	969314	988570	
AUGUST	187	556260	570070	
SEPTEMBER	189	540230	556470	
OCTOBER	191	418450	430230	
NOVEMBER	192	472640	483400	
DECEMBER	192	337200	344050	
TOTALS →		6,426,144	6,591,010	

What is the level of arsenic for each well on your system? <0.001 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 11/1 GPM for 11/1 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
() Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME BEAVER VALLEY WATER CO. YEAR ENDING 12/31/2006

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 2132⁹⁶

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. REVENUE TOTAL (\$753) CORPORATION
COMMISSION IMPOSED REFUND TO CUSTOMERS - WORKING AT
ADJUDICATED RATES - EXPECT PAYMENT OF PAST DUE PROPERTY
TAXES IN APRIL OR MAY 2007.

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>GILA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>MICHAEL DAVOREN</u>
COMPANY NAME	<u>BEAVER VALLEY WATER CO.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

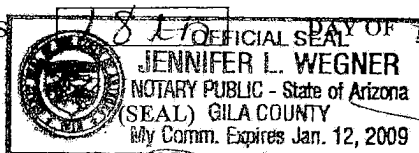
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Michael Davoren
SIGNATURE OF OWNER OR OFFICIAL
928-474-5759
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



MY COMMISSION EXPIRES

COUNTY NAME	<u>Gila</u>	
MONTH	<u>04</u>	<u>2007</u>

Jennifer L. Wegner
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME _____ YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported <758>
Estimated or Actual Federal Tax Liability -0-

State Taxable Income Reported <758>
Estimated or Actual State Tax Liability -0-

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4-15-07
DATE

Michael Davenport
PRINTED NAME

owner
TITLE

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 20 2007

AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>GILA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>MICHAEL DAVOREN</u>
COMPANY NAME	<u>BEAVER VALLEY WATER Co.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 70,023

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 4697
IN SALES TAXES BILLED, OR COLLECTED)

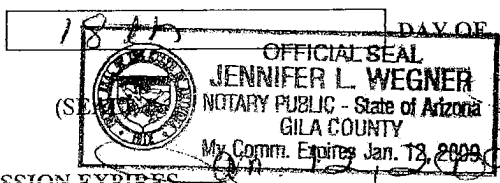
**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
928 474-5759
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



COUNTY NAME	<u>Gila</u>
MONTH	<u>04</u>
	<u>2007</u>

MY COMMISSION EXPIRES

[Signature]
SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED

APR 20 2007

VERIFICATION

AZ CORP COMM
Director Utilities

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>GILA</u>	
NAME (OWNER OR OFFICIAL) <u>MICHAEL DAVIDSON</u>	TITLE <u>OWNER</u>
COMPANY NAME <u>BENNER VALLEY WATER CO.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

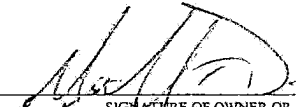
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>70,023</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 4697
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.



SIGNATURE OF OWNER OR OFFICIAL

928-474-5759

TELEPHONE NUMBER

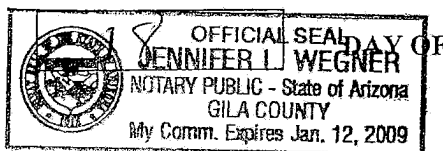
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

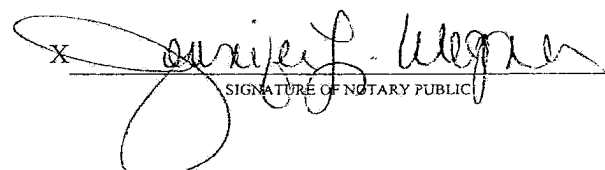
THIS

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME <u>Jennifer L. Wegner</u>	
COUNTY NAME <u>Gila</u>	
MONTH <u>04</u>	YEAR <u>2007</u>



SIGNATURE OF NOTARY PUBLIC

Jan. 12, 2009